

ASSEMBLY BILL

No. 1887

Introduced by Assembly Member Villines

February 16, 2010

An act to amend Section 12711 of the Insurance Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

AB 1887, as introduced, Villines. California Major Risk Medical Insurance Program.

Existing law establishes the California Major Risk Medical Insurance Program, which is administered by the Managed Risk Medical Insurance Board (MRMIB), to provide major risk medical coverage to persons who, among other matters, have been rejected for coverage by at least one private health plan. Existing law authorizes MRMIB to, among other things, determine the eligibility of applicants, determine the major risk medical coverage to be provided to program subscribers, and authorize expenditures from the Major Risk Medical Insurance Fund to pay program expenses that exceed subscriber contributions.

This bill would also authorize MRMIB to apply for any federal funding it determines to be cost effective for purposes of extending major risk medical coverage to more applicants.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 12711 of the Insurance Code is amended
2 to read:

- 1 12711. The board shall have the authority *to do all of the*
2 *following*:
- 3 (a) To determine the eligibility of applicants.
- 4 (b) To determine the major risk medical coverage to be provided
5 *to program subscribers.*
- 6 (c) To research and assess the needs of persons not adequately
7 covered by existing private and public health care delivery systems
8 and promote means of assuring the availability of adequate health
9 care services.
- 10 (d) To approve subscriber contributions; and plan rates; and
11 establish program contribution amounts.
- 12 (e) To provide major risk medical coverage for subscribers or
13 to contract with a participating health plan or plans to provide or
14 administer major risk medical coverage for subscribers.
- 15 (f) To authorize expenditures from the fund to pay program
16 expenses ~~which~~ *that* exceed subscriber contributions.
- 17 (g) To contract for administration of the program or any portion
18 thereof with any public agency, including any agency of state
19 government, or with any private entity.
- 20 (h) To issue rules and regulations to carry out the purposes of
21 this part.
- 22 (i) To authorize expenditures from the fund or from other
23 moneys appropriated in the annual Budget Act for purposes relating
24 to Section 10127.15 of this code or Section 1373.62 of the Health
25 and Safety Code.
- 26 (j) *To apply for any federal funding the board determines to be*
27 *cost effective for purposes of extending major risk medical*
28 *coverage to more applicants.*
- 29 ~~(j)~~
- 30 (k) To exercise all powers reasonably necessary to carry out the
31 powers and responsibilities expressly granted or imposed upon it
32 under this part.